

# INFORMATION LETTER

## NATIONAL CANNERS ASSOCIATION

Not for  
Publication

For Members  
Only

No. 909

Washington, D. C.

November 14, 1942

### Tentative Program For Processors' Conference Is Announced

#### Government Representatives Will Present Details Of 1942 Requirements and Regulations; Panel Discussions Also Planned

The program for the Processors' Conference in Chicago the week of December 13 will include, according to tentative plans, meetings at which representatives of government agencies will present information on food production plans and regulations, panel discussions at which processors will have opportunity to ask questions on details of the orders and regulations, and arrangements for consultation offices, staffed by the government agencies represented at the conference, at which processors may obtain information respecting individual problems.

The conference will extend over three days, opening on Monday, December 14, and closing the following Wednesday. Trade associations of the four groups of processors included in the conference are expected to hold business sessions on Thursday.

Following is an outline of the tentative program.

#### MONDAY MORNING

##### Opening General Session

Introduction of presidents of processors' national trade associations.

Addresses:

Brig. Gen. Carl A. Hardigg, Office of the Quartermaster General

Roy F. Hendrickson, Administrator, Agricultural Marketing Administration

A. C. Hoffman, Director, Food Price Division, Office of Price Administration

Douglas C. Townson, Director, Food Division, War Production Board.

#### Urges Fruit Price Reports by December 1

Fruit canners are being urged by the Office of Price Administration to submit price reports by December 1, if at all possible. These reports, OPA points out, are to be submitted in any event within ten days after prices have been computed. Prices can be computed under the fruit regulation (Maximum Price Regulation 185) when a minimum of 75 per cent of the raw product has been purchased. Additional copies of the report forms may be obtained from the regional offices of OPA.

#### MONDAY AFTERNOON

##### General Session

Addresses by representatives of government agencies, among the subjects to be discussed being—

Crop goals, support prices, Lend-lease.

Containers and priorities.

Government purchases and buying procedures.

Shipping case and can-marking requirements.

Price policies and controls.

Labor supply.

Transportation.

#### TUESDAY MORNING AND AFTERNOON

##### Panel Discussion for Canners

Panel members will include representatives of the Department of Agriculture, War Production Board, Office of the Quartermaster General, Office of Price Administration, Office of Defense Transportation, and Labor Office.

(Concluded on next page)

#### PERMANENT CAN MARKING RECOMMENDED

##### To Ensure Identification by Armed Forces When Labels and Cases Are Lost

Because during hostilities canned food supplies for the armed forces abroad may arrive at their final destination minus labels or cases, the armed forces have requested cooperation and suggestions from canners for a permanent method of identification of cans.

This request is made in a letter sent out to canners last week by Howard Hamilton, of the Procurement Policy Division of the War Production Board. The letter points out the desirability of ensuring that the contents of cans for the armed forces be identifiable even when they arrive separated from cases and labels. Markings that will adhere to the can are needed immediately, the letter states, but at the same time it is urged that canners continue production while arranging for compliance with the request. It is suggested that canners contact their Army field buyers immediately to determine what arrangements can be made for marking their merchandise.

The letter stated that at this time the Procurement Division could not make a recommendation for can-marking that would be applicable to every canner's operation, but it presents, for consideration, the following alternative methods of identification:

1. Embossing the name of the product (or a five-letter abbreviation of the product if it contains more than five

letters) on the cover of the can at the closing machine. Canners having only one-line markers may have to arrange for two-line markers, as it is not desired to eliminate coding used by canners to identify their own product. Those whose machines will not operate before February 1, 1943, should not arrange for two-row markers, because it is expected that a definite method, which may be by other means, will have been developed by that date.

2. Printing the name of the product or its five-letter abbreviation on the body or end of the cans, using a permanent non-corrosive ink, provided the equipment is available without further manufacture and use of critical materials.

3. Lithographing the name of the product or its five-letter abbreviation on the body or ends of the cans, provided this can be done without interfering with lithographing operations on materials previously contracted for and intended for use by the armed forces.

4. Printing, stenciling, etc., by hand, provided the name or its five-letter abbreviation is clearly legible in a permanent non-corrosive ink.

The Army, Navy and the Agricultural Marketing Administration have agreed to accept, where the word contains more than five letters, the following abbreviations:

Commodity	Abbreviation	Commodity	Abbreviation
Apple butter	APBUT	Mackerel	MACK
Apple sauce	APL8A	Marmalade	MARMA
Apples	APPLE	Milk, evaporated	MILK
Apricots	APCOT	Orange juice	ORANJ
Asparagus	ASPAR	Peaches	PEACH
Beans, lima	LBEAN	Pears	PEARS
Beans, string	SBEAN	Pens	PEAS
Beets	BEETS	Pickles	PICKL
Blackberries	BLAKB	Pilchards	FISH
Blueberries	BLUEB	Pineapple	PINAP
Carrots	CAROT	Pineapple juice	PINJU
Catsup	CATSP	Plums	PLUMS
Cherries, sour	CHERY	Potatoes, sweet	YAMS
Cherries, sweet	CHERY	Prunes	PRUNE
Corn	CORN	Pumpkin	PUMKN
Figs	FIGS	Raspberries	RASPB
Fish, flaked	FISH	Salmon	SAMON
Fruit cocktail	FRUIT	Sardines	SARD
Grapefruit	GRAFR	Sauerkraut	KRAUT
Grapefruit juice	GRFJU	Spinach	SPINH
Jams	JAMS	Tomatoes	TOMAT
Jellies	JELLY	Tomato juice	TOMJU
Juice—Orange and grapefruit blended	CITJU	Tomato puree	TOMPU
Loganberries	LOGAN	Tuna fish	TUNA
		Youngberries	YUNGB

#### PROGRAM FOR PROCESSORS' CONFERENCE

(Concluded from preceding page)

#### WEDNESDAY MORNING

##### Panel Discussions

Two meetings will be held, one for freezers and preservers, the other for dehydrators. Panel members for each meeting will be similar to those for the canners' meeting.

#### WEDNESDAY AFTERNOON

##### Closing General Session

Among subjects to be presented at this session will be functions of the State War Boards in relation to attaining necessary acreage goals, and wage stabilization under orders of the War Labor Board, Director of Economic Stabilization, and Treasury Department.

#### Consultation Offices

Consultation offices will be open Monday and Tuesday evenings, and on Wednesday evening if found necessary.

At these offices representatives of the Department of Agriculture, War Production Board, Office of the Quartermaster General, and Office of Price Administration will be available for personal conference with individual processors who desire to consult them.

#### List of Government Representatives

Among representatives of government agencies who are expected to participate in the program as speakers, members of panels, and consultants are:

Brig. Gen. Carl A. Hardigg, Office of the Quartermaster General.

Brig. Gen. J. E. Barzynski, Quartermaster Depot, Chicago.

Col. Paul P. Logan, Office of the Quartermaster General.

Frank Mathews, Quartermaster Depot, Chicago.

John Moilanen, Quartermaster Depot, Chicago.

K. W. Hess, Quartermaster Corps, Oakland, Calif.

A. G. Paxson, Quartermaster Corps, Oakland, Calif.

Fred Meyer, Quartermaster Corps, Jersey City, N. J.

Glenn Greene, Quartermaster Corps, Jersey City, N. J.

Thomas McLaughlin, Quartermaster Corps, Jersey City, N. J.

Howard Hamilton, Procurement Policy Division, WPB.

W. E. Vaughn, Procurement Policy Division, WPB.

Kenneth Mahrle, Procurement Policy Division, WPB.

A. L. Koch, Procurement Policy Division, WPB.

Frank Hockensmith, Procurement Policy Division, WPB.

Wilbur Orr, Procurement Policy Division, WPB.

Douglas C. Townson, Director, Food Division, WPB.

E. A. Meyer, Assistant Director, Food Division, WPB.

Merritt Greene, Chief, Canned Foods Section, Food Division, WPB.

Harry Amenta, Chief, Dehydration Section, Food Division, WPB.

Richard Juhnichen, Chief, Frozen Foods Section, Food Division, WPB.

Wayne C. Meschter, Chief, Preserve Unit, Food Division, WPB.

Ralph E. Arnold, Chief, Distribution Control, Food Division, WPB.

George C. Scott, Consultant, Food Division, WPB.

H. F. Krimendahl, Consultant, Food Division, WPB.

Jacob Rosenthal, Chief, Order Administration, Food Division, WPB.

Ross Jones, Chief, Transportation Section, Food Division, WPB.

John L. Baxter, Special Advisor, Food Division, WPB.

Roy F. Hendrickson, Administrator, AMA.

William G. Meal, Chief, Fruit and Vegetable Branch, AMA.

Paul M. Williams, Fruit and Vegetable Branch, Grading and Inspection Work, AMA.

Carl G. Wooster, Head Agricultural Economist, AMA.

John B. Wilson, Jr., Assistant Administrator, Agricultural Conservation and Adjustment Administration.

David Meeker, Assistant Director, Agricultural War Relations.

A. C. Hoffman, Director, Food Price Division, OPA.

Geoffrey Baker, Price Executive, Grocery Products Branch, Food Price Division, OPA.

Dan F. Gerber, Acting Head, Grocery Products Branch, Food Price Division, OPA.

Melville Ehrlich, Senior Attorney, Legal Price Division, Grocery Products and Tobacco Branch, OPA.

Joseph Nellis, Attorney, Legal Price Division, Grocery Products and Tobacco Branch, OPA.

Owen Jameson, Chief Counsel, Legal Price Division, Grocery Products and Tobacco Branch, OPA.

O. O. Sorenson, Senior Business Specialist, Grocery Products Branch, Food Price Division, OPA.

Grant Tolley, Business Specialist, Grocery Products Branch, Food Price Division, OPA.

**Preference Ratings Assigned to Dairy Processors**

Preference ratings substantially the same as those assigned under Order P-115 for equipment, maintenance and repair materials have been assigned to processors of dairy products under terms of Preference Rating Order P-118, as amended November 12. These are:

AA-2X, for material required for emergency maintenance or repair to prevent spoilage because of actual breakdown or suspension of operations.

AA-5, for material required for repair, maintenance or operation (including packaging staples, strapping or stitching wire). The rating can be used to repair worn or damaged equipment but only if the repair does not represent major reconstruction, or does not include purchase of capital assets or motors of one horsepower or more.

AA-3, for materials required for replacement, but does not include machinery or equipment for increasing productive capacity.

**Allocation Symbol Requirements are Rescinded**

The allocation classification symbol system, established under Priorities Regulation No. 10, has been rescinded by the War Production Board. This code system was drawn up by WPB as a means of designating the final purchaser and the end-use of each material or product, and it required canners to affix letter and number symbols to each purchasing order. The requirements of Priorities Regulation No. 10 were reported in the INFORMATION LETTERS for June 27 and July 11.

In its announcement that the symbol system was being revoked, WPB stated that the intention of using symbols as a guide in allocating materials was never realized, since the system was found to be too complicated for most industries to follow with sufficient precision.

**Eligibility of Passenger Cars for Certificates**

Owners of passenger cars are not eligible for Certificates of War Necessity unless "the vehicle has undergone a genuine structural change, reasonably permanent in nature, which makes it likely that property, rather than passengers, will be carried," the Office of Defense Transportation stated November 10.

Moreover, the owner must establish the fact that his business or occupation requires the use of a property-carrying vehicle, rather than a passenger-carrying one, in order to qualify fully for a Certificate.

"Merely painting the windows of a vehicle, or removing seat cushions, or removing a door, or attaching a towing device to the axle of the vehicle, does not make it a commercial vehicle," John L. Rogers, Director of the Division of Motor Transport, said.

Among types of passenger cars, used for transporting property, which may be eligible for "C" mileage under the OPA gasoline rationing regulation, ODT lists "passenger automobiles used by a farmer for transportation of farm products and necessary supplies between a farm and wholesale or retail establishment, a public market, a shipping point, or another farm."

**NEW MACHINERY PRIORITIES FOR 1943****Revised PD-285 Forms Will Require Filing of Full Information Supporting Applications**

Preference ratings for the purchase of new machinery for 1943 will not be easy to obtain. Canners must continue using Form PD-285 to apply for the rating for new machinery and equipment. Since it is more necessary than before that canners support their applications with detailed information as to why the new equipment is needed, they have been asked to send in letters supporting their PD-285 applications. The supporting letters frequently do not give all the essential information required by the War Production Board and sometimes give a lot of information not needed. Consequently, WPB is revising form PD-285, providing spaces for essential information required to pass on the application. Copies of these revised forms will be available within a week or ten days. Consequently, it is suggested that canners use the new form in making their applications, because the administrator of P-115 can handle the applications more rapidly if all the information required is presented on the application.

It is very important also that the preference ratings provided in P-115 be used as authorized in the order. They are as follows:

AA-2X—This rating may be used for emergency repairs.

AA-5—This rating may be used for repairs and operating supplies, but *must not* be used for capital equipment.

AA-3—This rating is used for capital equipment.

The first two ratings may be used by the canner without securing further authority from WPB. The privilege to use these ratings without first obtaining permission was granted by WPB to enable canners to purchase repairs and operating supplies without delay. It is important that this privilege not be abused. The responsibility rests on the canner using these ratings, to see that they are applied properly and in accordance with the order.

Since canners are required to send copies of their purchase orders on which these ratings were used, WPB has a definite check on the use of the ratings after they have been applied.

The rating for capital equipment can be used only after WPB approves canner's application on form PD-285. Consequently, there is less danger of the misuse of the rating for new machinery and equipment.

**Evaporated, Powdered, Skimmed Milk Exemption**

The Secretary of Labor has granted an exemption from the Section 1 provisions of the Walsh-Healey Public Contracts Act for evaporated and powdered milk. Under this authority the award of contracts for these products during the period from November 4 to December 31, 1943, is permitted without the inclusion in such contracts of the representations and stipulations of Section 1 of the Act.

The exception was granted on request of the Secretary of War in a letter dated October 27, 1942.

## OPA SETS CANNED SALMON PRICES

### Regulation Establishes Specific Dollars and Cents Ceilings at Packer Level

Moving to iron out wide variations between individual sellers' March, 1942, ceilings on canned salmon, the Office of Price Administration on November 10 set specific dollars and cents maximum prices on this product at the packer level.

This is accomplished through the issuance by OPA of Maximum Price Regulation No. 265, which became effective in the continental United States and District of Columbia on November 9, 1942, and will be effective in the territories and possessions on November 19. Except in a few cases where March ceilings were inadequate, the new packer order will not change ceiling prices on salmon for either wholesalers or retailers. Distributors will continue to be governed by the General Maximum Price Regulation at the individual seller's top March prices or—where inadequate—by special formulas in Maximum Price Regulation No. 237 for wholesalers and in Maximum Price Regulation No. 238 for retailers.

The new canner ceilings will reflect a price generally compatible with the maximum prices permitted to be paid by both government agencies in their acquisitions for the armed forces and by the private trade.

Federal purchases for the military arm—already largely completed—may aggregate 60 per cent of the entire 6,000,000-case 1942 salmon pack.

OPA officials emphasized that ceilings set are higher than the average 1941 salmon prices, thus affording a fair return to the canner in light of his increased costs. The new regulation does not cover canned salmon from the Columbia River. This will be handled later by separate regulation. By means of a separate regulation, industries operating in the Columbia River will be afforded relief that will be equitable and in keeping with the Emergency Price Control Act of 1942, the OPA press release stated.

Text of the governing sections of MPR No. 265 follows:

#### § 1364.551 Prohibition against dealing in salmon at prices above the maximum.

On or after November 9, 1942, regardless of any contract, agreement, or other obligation, no canner, or agent or other person acting on behalf, or under control, of such canner shall sell or deliver any salmon, and no person in the course of trade or business shall buy or receive from a canner any salmon at prices higher than those set forth in Appendix A hereof, incorporated herein as § 1364.562; and no person shall agree, offer, solicit, or attempt to do any of the foregoing. The provisions of this section shall not be applicable to sales or deliveries of salmon to a purchaser if, prior to 1942, such salmon has been received by a carrier, other than a carrier owned or controlled by the seller, for shipment to such purchaser.

#### § 1364.552 Conditional agreement.

No canner of salmon shall enter into an agreement permitting the adjustment of the prices to prices which may be higher than the maximum prices provided by § 1364.562 in the event that this Maximum Price Regulation No. 265 is amended or is determined by a court to be invalid or upon any other contingency: *Provided*, That if a petition for amendment has been duly filed, and such petition requires extensive consideration, the Administrator may grant an ex-

ception from the provisions of this section permitting the making of contracts adjustable upon the granting of the petition for amendment.

#### § 1364.553 Export sales.

The maximum price at which a person may export salmon shall be determined in accordance with the provisions of the Revised Maximum Export Price Regulation issued by the Office of Price Administration.

#### § 1364.554 Less than maximum prices.

Lower prices than those set forth in § 1364.562 may be charged, demanded, paid, or offered.

#### § 1364.555 Evasion.

The price limitations set forth in this Maximum Price Regulation No. 265 shall not be evaded, whether by direct or indirect methods, in connection with an offer, solicitation, agreement, sale, delivery, purchase, or receipt of, or relating to salmon alone or in conjunction with any other commodity, or by way of any commission, service, transportation, or other charge, or discount, premium, or other privilege or by tying-agreement or other trade understanding or by changing the selection or style of processing or the canning, wrapping or packaging of salmon.

#### § 1364.556 Records and reports.

(a) Every person making a purchase or sale of salmon in the course of trade or business, or otherwise dealing therein, after November 8, 1942, shall keep for inspection by the Office of Price Administration for so long as the Emergency Price Control Act of 1942 as amended remains in effect, complete and accurate records of each such purchase or sale, showing the date thereof, the name and address of the buyer and of the seller, the price contracted for or received, the quantity and a description of the grade or brand, style of pack, and container size of salmon.

(b) Such persons shall submit such reports to the Office of Price Administration and keep such other records in addition to or in place of the records required in paragraph (a) of this section as the Office of Price Administration may from time to time require.

#### § 1364.557 Enforcement.

(a) Persons violating any provision of this Maximum Price Regulation No. 265 are subject to the criminal penalties, civil enforcement actions, and suits for treble damages provided for by the Emergency Price Control Act of 1942, as amended.

(b) Persons who have evidence of any violation of this Maximum Price Regulation No. 265 or any price schedule, regulation, or order issued by the Office of Price Administration or of any act or practices which constitute such a violation are urged to communicate with the nearest district, state or regional office of the Office of Price Administration or its principal office in Washington, D. C.

#### § 1364.558 Petitions for amendment.

Any person seeking an amendment of any provision of this Regulation No. 265 may file a petition for amendment in accordance with the provisions of Revised Procedural Regulation No. 1 issued by the Office of Price Administration.

#### § 1364.559 Applicability of General Maximum Price Regulation.

The provisions of this Maximum Price Regulation No. 265 supersede the provisions of the General Maximum Price Regulation with respect to sales and deliveries for which maximum prices are established by this regulation.

**§ 1364.560 Definitions.**

(a) When used in this Maximum Price Regulation No. 265 the term:

(1) "Person" includes an individual, corporation, partnership, association, any other organized group of persons, legal successor or representative of any of the foregoing, and includes the United States, any agency thereof, any other government, or any of its political subdivisions, and any agency of the foregoing.

(2) "Canner" means a person who preserves salmon by processing and hermetically sealing in metal containers.

(3) "Salmon" means any canned fish of the genus *Oncorhynchus* or of the species *Salmo gairdneri*, except where same is canned along the Columbia River.

(4) "Red" salmon includes Red, Blueback, Quinnault, Alaska Sockeye and Puget Sound Sockeye (*Oncorhynchus merka*).

(5) "Coho" salmon includes Coho, Silver, and Silverside (*Oncorhynchus kisutch*).

(6) "Pink" salmon includes Pink and Humpback (*Oncorhynchus gorbusche*).

(7) "Chinook" salmon includes Chinook, Spring, King, Tee, and Quinnat (*Oncorhynchus tshawytscha*).

(8) "Chum" includes Chum and Dog (*Oncorhynchus keta*).

(9) "Price per case" means the price for 48 cans of salmon packed for shipment in the usual container.

(10) One pound "tall" means a can 301 x 411.

(11) One pound "flat" means a can 401 x 211.

(12) One-half pound "flat" means a can 307 x 201.25.

(b) Unless the context otherwise requires, the definitions set forth in section 302 of the Emergency Price Control Act of 1942 shall apply to other terms used herein.

**§ 1364.561 Effective date.**

This Maximum Price Regulation No. 265 (§§1364.551 to 1364.562, inclusive) shall become effective November 9, 1942, in the continental United States and the District of Columbia, and November 19, 1942, in the territories and possessions of the United States.

**§ 1364.562 Appendix A: Maximum canners' prices for salmon.**

(a) The prices set forth below are maximum prices per case f. o. b. car at Seattle, Washington, for salmon canned in territory outside the continental United States and f. o. b. car at the shipping point nearest cannery for salmon canned within the United States. For salmon canned in Alaska and sold for consumption in Alaska the maximum price shall be 50% less per case of 48 one pound cans than the prices set forth below. The maximum prices are gross prices and the seller shall deduct therefrom his customary allowances, discounts, and differentials to purchasers of different classes.

Variety	Style of container	Price per case
Chinook	1/2 lb. flats	\$12.00
Red	1 lb. flats	15.00
Red	1 lb. flats	15.50
Red	1/2 lb. flats	9.00
Coho	1 lb. flats	11.60
Coho	1 lb. flats	12.30
Coho	1/2 lb. flats	7.75
Pink	1 lb. flats	8.00
Pink	1 lb. flats	8.00
Pink	1/2 lb. flats	5.20
Chum	1 lb. flats	7.00
Chum	1/2 lb. flats	5.00
Alaska Sockeye	1 lb. flats	15.00
Alaska Sockeye	1 lb. flats	16.00
Alaska Sockeye	1/2 lb. flats	11.00
Puget Sound Sockeye	1 lb. flats	18.00
Puget Sound Sockeye	1 lb. flats	19.00
Puget Sound Sockeye	1/2 lb. flats	11.00

(b) For varieties, container sizes, or types and styles of pack of salmon not listed in paragraph (a) the price shall be a price determined by the Office of Price Administration to be in line with the prices listed in paragraph (a). Such determination shall be made upon written request, addressed to the Office of Price Administration, Washington, D. C., and accompanied by sworn statements showing costs and usual differentials.

**Court Rules That 7(c) Wage-Hour Exemption Be Applied on Individual, Not Plant, Basis**

The Circuit Court of Appeals for the Seventh Circuit recently rejected the contention of the Wage and Hour Administrator that the Section 7(c) exemption of the Fair Labor Standards Act must be applied upon a plant, rather than upon an individual, basis. (*Walling v. Swift & Co.*, October 27, 1942, No. 7993.) Instead, the Court ruled that the exemption may be applied to individual employees without affecting its application to those not working overtime during the particular weeks involved.

The Wage and Hour Administrator had obtained an injunction in Federal District Court, enjoining the defendant, Swift & Co., from violating the Fair Labor Standards Act. In issuing the injunction, however, the District Court ruled that the 7(c) exemption could be applied to individual employees, and that its application to any employee for a certain week would not affect its application to other employees who did not work overtime during that period. The Circuit Court approved this view, upon the ground that it affords "greater flexibility of the application of the exemption which enables the processor to meet the difficulties in his business from which Congress was trying to relieve him, and because of the manifest discrimination possible in the application contended for by" the Wage and Hour Administrator.

The decision does not extend the number of weeks during which overtime for any one employee is unnecessary. Under Section 7(c), no employee is allowed to work overtime during more than 14 work weeks in any calendar year, without time and one-half for hours exceeding 40 per week. Further, the decision does not apply to the limited hours exemption of Section 7(b)(3). It is entirely possible, in view of differences in wording, that the courts will uphold the Administrator's contention that the 7(b)(3) exemption must be applied on a plant basis, even though they allow individual application of Section 7(c). Too great reliance should not be placed upon this decision, even by canners situated within the Seventh Circuit, since it is possible that the matter will be carried to the United States Supreme Court for a final determination.

**Michigan Canners Re-elect Officers**

The Michigan Canners Association re-elected all of its 1942 officers to serve during the coming year, at its annual convention held recently. Following is the roster of Michigan officers: President—Don S. Morgan, John C. Morgan Company, Traverse City; vice president—Robert Payne, Eau Claire Packing Co., Eau Claire; secretary and treasurer—William Kinnaird, Northern Processing Company, Traverse City.

## WANTED AND FOR SALE

### Machinery—Equipment

Names of member-firms who want to buy or who are offering for sale the machinery and equipment items listed below will be furnished upon application to the Association. When requesting names, be sure to give the number of the item referred to (1-S, 1-W, etc.), and your own firm name.

This service is limited to publication of the items wanted or for sale and to furnishing the identity of buyer or seller on request. When offering machinery and equipment for listing in this column, always include a brief description of the item. Address copy to attention, INFORMATION LETTER. Copy should be mailed so as to arrive in Washington not later than Thursday for publication the same week.

### WANTED

**1-W**—Eight cherry stemmers, new model Urschels preferred.

**2-W**—Several steam jacketed kettles, miscellaneous sizes, larger sizes preferred.

**3-W**—Several retorts, horizontal type. Advise size, make, and condition.

**4-W**—Urachel string-bean cutter.

**5-W**—Syruper and juice filler, 60 p.m., minimum capacity.

**6-W**—Fifty-foot light weight gravity wheel conveyor track.

**7-W**—Straight-line hot water exhaust box, to handle No. 2 to No. 10.

**8-W**—Asparagus blancher.

**9-W**—Two power lift-trucks. Please furnish full details.

**10-W**—Steam jacketed equipment, approximately 200-gallon capacity, capable of withstanding jacket pressure of at least 90 pounds per square inch, monel or stainless steel preferred; well-tinned copper acceptable; not interested in aluminum. Also interested in 100- and 150-gallon sizes. Werner and Pfleizer steam jacketed mixing tanks might be suitable if small enough to meet requirements.

**11-W**—Ayars high-speed, 9-pocket, Universal tomato and cut string bean filler with brine attachment.

**12-W**—Peerless rotary exhauster.

**13-W**—Three 42 x 72 inch I.D. closed pressure retorts.

**14-W**—Equipment for a cooling tank.

**15-W**—Center crank horizontal steam engine, 25 to 30 h.p.

**16-W**—Several 42 x 72-inch closed retorts.

**17-W**—Economic boiler with stack, 60 h.p.

**18-W**—Green bean line—four to 10 snippers, automatic blancher, one or two cutters, two to four pre-graders. Complete line preferred but will consider individual units.

**19-W**—CRCO American pickle slicer set for  $\frac{1}{4}$ -inch or  $\frac{1}{2}$ -inch slices.

**20-W**—Six  $\frac{1}{2}$  to 1 h.p. ac. motors. Can be either single phase or three phase.

### FOR SALE

**1-S**—Tenderometer that has been used to grade not over 40,000 cases of peas.

**2-S**—Sinclair-Scott hydro pea separator equipped to separate 1 and 2 sieves together and 3's and 4's going as Standards; has a set of screens for lima beans; machine is in first-class working condition.

- 3-S**—One Excello pea washer.
- 4-S**—Two viner pea shed cleaners, small size.
- 5-S**—One Anderson carrot dicer,  $\frac{3}{8}$ -inch.
- 6-S**—One pea dusting machine.
- 7-S**—One pea quality grader.
- 8-S**—One 50-gallon steam jacketed copper kettle.
- 9-S**—Olney duo-washer and de-stoner in excellent condition.
- 10-S**—Tomato washer.
- 11-S**—Sprague 6-pocket corn filler.
- 12-S**—Three Peerless corn trimmers (Sprague, fig. 502).
- 13-S**—Small No. 10 can cooler.
- 14-S**—Six crate covers.
- 15-S**—Bucket elevator.
- 16-S**—Twelve-foot section of 8-inch worm conveyor.
- 17-S**—Two No. 5 crushed corn cutters.
- 18-S**—No. 2 can tomato exhaust box.
- 19-S**—Two Langenkamp No. 10 filling machines.
- 20-S**—One 36-inch hydraulic press.
- 21-S**—Roesch system automatic temperature control. Consists of steam-driven air compressor, air tank, and six reheat controllers, manufactured by C. J. Tagliabue. All in good mechanical condition.
- 22-S**—Two 3-crate cooling tanks. Will fit radius of a steam crane.
- 23-S**—Pea viners.
- 24-S**—Several steam engines.
- 25-S**—Labeling machine.
- 26-S**—Steam pumps.
- 27-S**—Sprague corn silker.
- 28-S**—Boiler fittings.
- 29-S**—No. 2 can cable system.

### WMC Program of Agricultural Labor Conservation

Directions for carrying out the War Manpower Commission's program for conserving, training, and recruiting labor on dairy, livestock and poultry farms, were sent out during the week to the County War Boards by the Department of Agriculture and to the U. S. Employment Service offices by the Commission.

Secretary Wickard has described the program as "an effort to ease the strain where it is threatening the most damage now." Its fundamental aims are:

1. To cut down the rate at which skilled farm operators and workers are leaving dairy, livestock and poultry farms.
2. To recruit new workers to work with the skilled persons who remain on farms.

As part of the program, Selective Service has asked its local boards to give occupational deferment to necessary men who are working on essential dairy, livestock and poultry farms, and the Army and Navy are continuing their policy of not recruiting skilled workers from the three designated branches of agriculture.

Directive No. 14 of the WMC, which implements the program, also requires the Secretary of Agriculture, among other things, "to take such action with respect to wage rates on dairy, livestock, and poultry farms as is necessary to assist such farms in securing and maintaining an adequate supply of dairy, livestock and poultry workers."

**RELEASE OF CIVILIAN DRIED FRUITS****May Be Obtained Only on WPB Notice; Allocation To Army and AMA Is Waived**

Dried fruits frozen by Order M-205 no longer may be released automatically to civilians by mere lapse of time, under terms of Amendment No. 1 to the order, issued November 11 by the War Production Board. They may be released now only on notice from WPB.

At the same time, the amendment makes it possible for packers to sell dried fruit to the Army and to the Agricultural Marketing Administration without specific allocation by WPB.

Under the original order, issued August 10, and published in the August 15 INFORMATION LETTER, packers were required to set aside for government purchase and report to WPB their entire existing inventory of dried apples, apricots, peaches, pears, prunes and grapes (raisins). If the fruit was not purchased by the government agencies designated by WPB within 60 days after packers filed their reports, packers were permitted to sell it for civilian use, unless notified to continue to hold it.

Amendment No. 1 eliminates this provision, thereby prohibiting such automatic release of dried fruit to civilians.

The purpose of the amendment, as expressed by WPB, is to simplify administration of the order, and to give the Army and AMA adequate time to determine their dried fruit needs and complete their negotiations. Packers' notices of the expiration of the 60-day holding period have been responded to by directions to continue holding the fruit. However, some of the fruit has been released to civilians by general authorizations.

Text of Amendment No. 1 to Conservation Order M-205 follows.

§ 3038.1 *Conservation Order M-205* is hereby amended in the following respects:

1. Subparagraphs (a) (3) and (a) (4) are amended to read as follows:

(3) "Processing" shall mean grading, sizing, stemming, seeding, or treating dried fruit by the use of hot water, steam, chemicals or compressed or hot air; or cutting fresh apples acquired for the production of dried apples.

(4) "Government agency" shall mean the Army of the United States, the Agricultural Marketing Administration, and any other officer, board, agency, commission, or government-owned or government-controlled corporation of the United States specifically designated by the Director General for Operations.

2. Subparagraph (b) (1) is amended to read as follows:

(1) Each packer shall, without regard to previously existing contracts, set aside to be delivered for the requirements of government agencies, any dried fruit, and any fresh fruit acquired for the production of dried fruit, which were in his possession, under his control or under contract on August 10, 1942, or were acquired by him within one year thereafter. All such fruit so set aside may be delivered to the Army of the United States or the Agricultural Marketing Administration without specific allocation; to any other government agency if specifically allocated to such agency, and to any private purchaser if released. Such fruit shall not be processed and packed without instructions which may

be given by the Director General for Operations, by the Army of the United States, or by the Agricultural Marketing Administration, if such fruit is to be purchased by either of such agencies; or, if such fruit is specifically allocated to any other agency, instructions may be given by the agency to which it is allocated. The Director General for Operations may issue specifications at any time as to processing, packing, labeling, boxing and strapping.

3. Subparagraph (b) (3) is deleted, and subparagraphs (b) (4) and (b) (5) are renumbered as (b) (3) and (b) (4) respectively.

**Amendments to 60-Day Freeze Order**

A number of standard provisions in the General Maximum Price Regulation and other price control measures of the Office of Price Administration on November 11 were written into the 60-day temporary freeze issued October 3 and reported in the October 10 INFORMATION LETTER (page 7267), covering such products as butter, eggs, poultry and canned and fresh citrus fruits.

Highlights of Amendment No. 5 to Temporary Maximum Price Regulation No. 22—Certain Essential Food Products—which became effective November 16 include:

(1) Sales made by any farmers' cooperative, whether as agent or otherwise, are covered by the provisions of the temporary regulation. Originally, the order did not specifically state "whether as agent or otherwise" and some confusion developed as to whether differing treatment should be accorded (a) sales in which the cooperative acts as agent for the farmer and (b) sales of those commodities title to which has passed to the cooperative. In substance, OPA ruled that these forms of transaction are the same and thus are covered. However, direct sales by a farmer of these commodities produced on his farm are not under price control unless made to an ultimate consumer.

(2) War procurement agencies may buy and receive any of the commodities covered by the temporary regulation at higher than the established maximum prices.

(3) Sales or deliveries of commodities to the U. S. Government or to United Nations in connection with emergency purchases or dealing with developmental or secret contracts also are exempt from the regulation.

(4) Sections of the General Maximum Price Regulation dealing with central pricing, special deals, transfers or business or stock in trade, federal and state taxes, sales slips and receipts and registration and licensing also are made applicable to the temporary regulation. The only difference is that the base period used for the temporary regulation is September 28-October 2, while the GMPR base period used in these provisions is March, 1942.

**Interpretation of Scrap Can Collection Order**

Tighter control over collection of scrap tin cans will be exercised as a result of an official interpretation of Supplementary Order M-72-a, announced November 12 by the Director General for Operations.

This order permits persons who have received authorization from WPB to collect cans, and if the collector is a bottler of beverages he may retain for his own use 50 per cent of the cans of size No. 10 and larger for use in making bottle caps. About 10 per cent of the tonnage of all cans

are No. 10 size or larger, so even if all cans were so collected, the amount used for bottle tops would be considerably less than 5 per cent. Actually, the percentage is even smaller, since Army camps, Naval stations and many institutions send their cans direct to detinners. All smaller cans collected must be turned in as scrap to local salvage committees or detinning plants. This system was established to permit operators of truck routes in inaccessible territories to serve as collection agents under local salvage committees to collect cans that would not otherwise be collected.

The interpretation states that a person authorized to collect cans may not collect any tin scrap other than cans from which the contents have been removed. Since he is not authorized to collect any flat sheets made from cans or other tin scrap, he must process the No. 10 or larger cans himself or through his agents if he wishes to use them in making bottle caps.

The order is further interpreted to mean that all cans smaller than No. 10 collected by such authorized persons must be "prepared by them," that is, the top and bottom cut off, cleaned, the label removed, and flattened, and then delivered to detinning plants or local salvage committees.

### BONUS PAYMENT METHOD ANNOUNCED

#### Rates and System of Computation Set Forth In War Labor Board Order

This week the War Labor Board, pursuant to its authority to regulate all wages, and salaries up to \$5,000 when paid to employees employed in a bona fide executive, administrative, or professional capacity, who are not represented by duly recognized or certified unions, announced the method for computation and payment of bonuses.

By General Order No. 10, the Board provided that if bonuses have been customarily paid in fixed amounts, the total bonus which may be paid to an employee during the current year must not exceed the total paid an employee for like work during the preceding year. In the event bonuses have been fixed and paid on a percentage or other similar basis, the order provides that the rate and method of computation may not be changed during the current bonus year to yield a greater amount than that in the preceding bonus year. If the rate and method of computation remain the same, the payment of an increased amount is allowed by the order. For example, in the case of an employee who, during 1941, received a bonus of 5 per cent on a salary of \$2,500 and whose salary for 1942 was raised to \$3,000, the employer can continue to pay him a 5 per cent bonus on his salary without approval by the Board, even though the bonus is thereby automatically increased from \$125 to \$150.

Canners should note that although General Order No. 10 clarifies payments of bonuses to employees whose wages and salaries are subject to War Labor Board control, it does not apply to any salaries subject to the jurisdiction of the Commissioner of Internal Revenue. The method for computing bonuses for employees who are employed in a bona fide executive, administrative, or professional capacity, and who are not represented by duly recognized labor organizations, and for all other employees whose salaries exceed

\$5,000 per year, has not as yet been definitely outlined. In the light of General Order No. 10, it seems advisable for employers, when computing and paying customary bonuses, to prepare a file memorandum setting forth the method of computation and establishing that neither the rate nor the method of computation have been changed.

The War Labor Board's General Order No. 11, designed "to prevent hardships resulting from innocent action in the period of transition following the issuance of Executive Order No. 9250," provides that employers have until December 1, 1942, to file for retroactive approval of wage increases which were granted on or prior to November 7, 1942. If any employer prior to November 7, 1942, put into effect an unauthorized wage increase without knowledge of the limitations established by the executive order, he may, before December 1, 1942, request the War Labor Board to approve it. If the Board finds the increase was made in good faith and is in accordance with its policies, its approval will apply as of the date the increase was made. This retroactive approval procedure, however, does not apply to any salary increases. Under the provisions of the salary regulations issued by Economic Stabilization Director Byrnes on October 27, 1942 (see INFORMATION LETTER No. 907, for October 31, 1942), no annual salary rate of \$5,000 or less which existed on October 27, 1942, and no annual salary rate of more than \$5,000 which existed on October 3, 1942, may be increased without prior approval of the War Labor Board or the Commissioner of Internal Revenue.

Canners will recall that War Labor Board General Order No. 6 was designed to prevent the pirating of workers by establishing limitations upon the right of an employee to increase his compensation by changing his employment. (See INFORMATION LETTER No. 906, for October 24, 1942.) At the time this order was issued, it applied only to wages since the jurisdiction of the Board over salaries had not then been established. By General Order 6(a), however, issued November 6, 1942, the Board has extended the limitation of General Order No. 6 to all salaries under its control.

It has been pointed out in the INFORMATION LETTER for October 31, that under the \$25,000 salary limitation, no additional 1942 salary may be paid to an employee in the \$25,000 (after taxes) level "who has by any time on or after October 27, 1942, received a salary for 1942 equal to the total amount he received during 1941." This limitation, which automatically cut off the salaries of certain employees who were making payments on fixed obligations, caused them severe hardship. Accordingly, the Treasury Department, on November 6, 1942, issued an amendment under which an employee at the \$25,000 (after taxes) level may receive a 1942 salary in excess of his 1941 salary, when the 1942 salary is required to be paid to him under the terms of a bona fide contract entered into by the employer and the employee prior to October 4, 1942. The amendment, however, will not apply to 1943 or any subsequent years.

### Minnesota Canners Will Meet December 3

The Minnesota Canners Association announces it will hold its annual meeting on December 3 at the Hotel Nicollet, Minneapolis.

### Stop-off Ruling on Partial Carloadings

A rail carrier may permit more than one stop-off for partial loading or unloading of a consignment to be consolidated in a single car with one or more other consignments, the Office of Defense Transportation explained November 11 in an interpretation of General Order ODT No. 18 (Revised).

The carrier is not required to extend this privilege, however, it was pointed out. The order prescribed only minimum stop-off privileges which the order requires the rail carrier to extend for consolidation, and did not limit these privileges.

Text of Interpretation 18 (Rev.)-1 follows.

Nothing in the order prohibits a rail carrier from extending such stop-off privileges as may be provided for in its tariffs. It is clear from both paragraph (b) of Sec. 500.25 and paragraph (c) of Sec. 500.26 that these sections establish only the *minimum privileges* with respect to stop-offs and consolidations, respectively, which a carrier *must* extend. When consolidation privileges are extended under the provisions of Sec. 500.26, each consignment or shipment must be considered and treated for the purposes of applying rates and charges and rendering transportation services as if it were shipped in a single car, except that the minimum stop-off privileges required of the carrier by Sec. 500.25 are not required in respect of any of the consignments consolidated in a single car in pursuance of the mandates of Sec. 500.26. Stated in another way, shippers are not entitled to stop-off service in connection with a shipment consolidated with other consignments, but if a carrier so desires, it may extend such stop-off privileges, under proper tariffs provisions, in respect of any of the shipments contained in a car.

The exception in paragraph (a) of Sec. 500.26 reading "and except as to the provisions of §500.25 of this subpart" cannot rightly be construed as a limitation upon or prohibition of stop-off privileges in connection with any consignment consolidated in a car with other consignments. This exception was intended to make it clear that stop-off privileges required of a carrier by Sec. 500.25 (a) need not be extended in connection with such a consignment.

### West To Serve Food Requirements Committee

Secretary of Agriculture Claude R. Wickard, as Chairman of the Foods Requirements Committee, on November 10 announced the appointment of Dan A. West as Assistant Director of the Office for Agricultural War Relations in charge of trade relations. The OAWR is the administrative office for the Foods Requirements Committee.

Mr. West has served on the staff of the Office of Price Administration, first as director of the Consumer Division, and later as member of the OPA industry council.

Chairman Wickard said that Mr. West and those working with him will bring about the closest possible cooperation between the Foods Requirements Committee and food producers, distributors, wholesalers and retailers.

### Ohio and Pennsylvania Meetings Postponed

Both the Pennsylvania and the Ohio canners associations this week announced postponements of their previously announced annual conventions. The Pennsylvania meeting is announced for January 5-6 and the Ohio meeting for January 14-15.

### COURT RULES ON AAA ALLOTMENTS

#### Holds Government May Regulate Production Even When Not Intended for Commercial Sale

In its first opinion this fall, the Supreme Court upheld the power of the Federal Government to regulate the production of wheat intended only for consumption upon the farm where grown. In the case of *Claude R. Wickard, Secretary of Agriculture, v. Roscoe C. Filburn* (November 9, 1942, No. 59), the Court approved the collection of marketing penalties under the Agricultural Adjustment Act of 1938 (as amended May 26, 1941), from a farmer who had exceeded his wheat allotment, without regard to whether the excess wheat would, or would not, be sold or offered for sale in commerce.

In 1941, the plaintiff, Filburn, raised and threshed more wheat than was provided by his acreage allotment under the Agricultural Adjustment Act. Subsequent to the time he planted his crop, the Act was amended to increase the penalties for exceeding the established quota. When the Secretary of Agriculture, therefore, sought to impose the increased penalties required by the amendment, the plaintiff procured an injunction in Federal District Court enjoining that action. He established that it was his practice to use a portion of his wheat for feed or for making flour for home consumption, and asserted that the Act, insofar as it regulates the quantity of wheat grown only for home consumption, was unconstitutional. In granting an injunction against assessing the increased penalties, the lower court found it unnecessary to pass upon the plaintiff's contention.

The Supreme Court, however, reversed the decision and upheld the right of the Secretary to assess the increased penalties for the excess wheat. In doing so, the Court passed upon the question of Congressional power to regulate production of commodities which are not designed for commerce, but wholly for local consumption. The Court construed the marketing quotas established under the Agricultural Adjustment Act as including all wheat, either for sale or home consumption, and stated that wheat which is never marketed supplies those needs of the grower which would otherwise be reflected by purchases in the open market. In this sense, therefore, "home-grown" wheat competes with wheat in commerce and is subject to regulation under the Act.

In this opinion, the Supreme Court has again broadly construed the Federal power over interstate commerce. Although it has heretofore upheld Federal regulation of goods produced for commerce (as for example, the Fair Labor Standards Act), this is a recognition that the Congressional power extends even further. It is apparent that the test of whether an activity is subject to regulation under the commerce power is not whether it is purely local in character, or whether its effect upon interstate commerce is only "indirect."

Instead, as stated by the Supreme Court in this case:

" . . . even if appellant's activity be local and though it may not be regarded as commerce, it may still, whatever its nature, be reached by Congress if it exerts a substantial economic effect on interstate commerce and this irrespective of whether such effect is what might at some earlier time have been defined as 'direct' or 'indirect.'"

Under this decision, therefore, Congress may possibly regulate any activity which, if unregulated, "would have a substantial effect in defeating and obstructing" its exercise of power over interstate commerce.

#### USDA Policy on Production of Winter Vegetables

So that farmers may make the most intelligent adjustments possible in their plans for producing winter vegetables, Claude R. Wickard, Chairman of the Foods Requirements Committee, has elaborated the statement of October 14 that the Department of Agriculture "could not assist with production or marketing of the less essential winter vegetable crops." The list of the less essential winter vegetable crops includes canteloupes, cucumbers, cauliflower, eggplant, watermelons, bleached celery, head lettuce, green peppers, asparagus, and artichokes.

The maximum suggested acreages of these less essential vegetables, approved by the Foods Requirements Committee, have been forwarded to the State USDA War Boards with the suggestion that they be broken down by counties. The State War Boards are now being advised to release these acreages in terms of the maximum percentage of last year's acreages.

In general, the maximum suggested acreages for the less essential vegetable crops range, on a national basis, from 70 to 85 per cent of 1942.

#### Pricing Programs for Dry Edible Beans

Specific dollars and cents price ceilings on dry edible beans for country shippers, and specific mark-ups over net cost for distributors, were announced November 9, by the Office of Price Administration, with the issuance of Maximum Price Regulation No. 270, which became effective November 9.

Previously, dry edible beans were covered by Temporary Maximum Price Regulation No. 22 at the highest prices at which each individual seller did business during the September 28-October 2 base period. The new ceilings will be slightly higher than the previous individual maximum levels, reflecting increased production and raw material costs and meeting parity requirements.

Under the 1942 support program, prices for six commercial classes of dry edible beans will be supported at levels equivalent to 90 per cent of parity, in accordance with provisions of the price stabilization legislation of Oct. 2, the Department of Agriculture announces. AMA will buy, on an offer and acceptance basis, designated commercial classes of dry beans in quantities necessary to support the market at a level of \$5.35 per hundred pounds for U. S. No. 1 grade and \$5.20 per hundred pounds for U. S. No. 2 grade in bags, cartons, f. o. b. cars at country shipping points. The six designated classes are: Great Northern, Pea, Medium White, Pink, Pinto, and Small White. These are the classes for which the Department requested increased production in 1942.

In addition to the six commercial classes included under this price support program, AMA will consider offers for the sale of the following classes of dry beans: Light Red Kidney, Dark Red Kidney, Western Red Kidney, Small Red, and Cranberry. These classes are not included under the 1942 support program.

#### OPA ISSUES NEW PRICING FORMULA

#### Canned Boned Chicken and Turkey, Mincemeat, Fountain, Pastry Fruit Fillings Included

Acting to ease a squeeze which had been sufficiently severe to hamper production, the Office of Price Administration, on November 10, put into effect a new pricing formula which will provide for a substantial part, but not all, of the increased production costs of seven seasonal and 13 miscellaneous commodities.

The new Maximum Price Regulation No. 262 (Seasonal and Miscellaneous Food Commodities), effective November 14, 1942, is expected to insure continued production of these 20 articles. The increased production costs will be passed along on the wholesale and retail levels.

The regulation will become mandatory on all sales and deliveries beginning December 14. It replaces coverage under the General Maximum Price Regulation which had set ceilings at March levels. Seasonal commodities covered by the new regulation are: Christmas cookies, mincemeat, plum date and fig pudding, bottled eggnog, tom and jerry batter.

Miscellaneous commodities covered: Baker's fruit pie and pastry fillings, fig bars, blended maple syrup, maple sugar, egg noodles, fountain fruits, peanut candy, potato chips, raisin filled or topped biscuits and crackers, canned boned chicken and turkey, chocolate coated sugar cones, tortillas and tamales.

The regulation provides a pricing formula at the producer level for five of the same commodities—mincemeat, plum date and fig pudding and Christmas cookies—which previously had been covered, with nine others, at the wholesale and retail stages of distribution under Maximum Price Regulation No. 249 (Sales of Certain Seasonal Food Products at Wholesale) and Maximum Price Regulation No. 250 (Sales of Certain Seasonal Food Products at Retail). (See INFORMATION LETTER for October 31.)

In general, the producer will set ceilings by the following formula:

(1) Ingredients figured at the March, 1942, ceiling price or the March, 1942, market price where no ceiling price existed (with certain added increases over 1941 prices in the case of fresh berries, fruits and peanuts);

(2) Packaging materials at the March ceiling price or the March market price where no ceiling price existed;

(3) Labor costs at March wage rates, and

(4) A markup as of March on a miscellaneous commodity or as of the last selling season on a seasonal commodity.

Producers of seasonal commodities must compute their ceiling prices on the basis of specified costs, plus last season's markup. Manufacturers of miscellaneous commodities, however, must figure their new maximums on the basis of specified costs, plus the March, 1942, markup.

OPA officials indicated that the commodities covered by the new regulation may be supplemented later.

Following are excerpts from the OPA press release of special interest to canners:

Producers of fountain fruits and of baker's fruit pie and pastry fillings are squeezed because their March ceiling reflected costs of the 1941 pack of fruits and berries. Canned fruit and berry increases recently have been authorized by

OPA. Relief granted will reflect these increases in substantial part.

Until the recent issuance of the Temporary Maximum Price Regulation No. 22, poultry was not subject to price control. Canned boned chicken and turkey prices in March reflected a price on the dressed poultry about five cents per pound below current levels, thus wiping out industry profits. Production for sale to civilian consumers has ceased, with the only production for sale to the Army and other governmental agencies. These sales are not sufficient to provide the industry with a volume sufficient to permit continuance of efficient operation. However, if output for civilian use is revived, the new ceilings will again permit full utilization of production facilities.

March ceilings on blended maple syrup reflect cost of raw materials bought in 1941. Pure maple syrup—an item of seasonal production—has risen materially in costs since 1941. Replacement costs of blended maple syrup producers, thus, were correspondingly raised and a price adjustment was required.

### Strict Ruling on Wholesaler's Pricing

Canners will recall that Maximum Price Regulation No. 237 provides an alternative pricing plan for wholesalers of canned foods. Under the regulation, the wholesaler must compute his prices prior to November 30, 1942, and must do so upon the basis of the "net cost" of the product he is pricing. It is provided that "net cost" shall be based upon "the wholesaler's most recent purchase since May 11, 1942, of a customary quantity from a customary supplier and on the customary mode of transportation."

It is understood that the Office of Price Administration will construe this provision strictly and will not allow wholesalers to include in their price computations costs on canned foods which have not been physically received by November 30, 1942, even though such goods were sold and billed prior to that date.

### California Sardine Tonnage and Packs

Estimated figures on tonnage of sardines delivered to California processing plants and cases of canned sardines packed during the current season to November 5, inclusive, along with comparison to a year ago, as reported by the California Sardine Products Institute, are as follows:

TONNAGE:	Week ending			Season to—		
	Nov. 5, 1942	Nov. 5, 1942	Nov. 7, 1941	Tons	Tons	Tons
Northern District (San Francisco Bay) ..	917	79,810	136,603			
Central District (Monterey) .....	968	92,590	161,101			
Southern District (Southern California) ..	20,836	71,115	53,588			
Total .....	22,721	248,515	351,292			

  

PACKS, ALL DISTRICTS:	Cases		
	Can Sizes:	Cases	Cases
1-lb. Oval .....	54,121	613,167	1,202,235
1-lb. Tall .....	126,958	751,563	1,011,478
16-lb. Fillet .....		38,759	96,941
1/2-lb. Round 96's .....	7,070	46,026	127,525
5-oz. 100's .....	11,700	82,370	223,077
Miscellaneous .....		14,020	115,720
Total .....	199,867	1,545,905	2,776,976

### WAR DEVELOPMENTS AFFECTING CANNERS

#### Price Controls and Other Regulations Imposed on Products Used in Food Packing

During the week a number of governmental regulations were issued by various agencies, affecting products that are used in canning operations. Highlights of some of these are given briefly in the following paragraphs:

*Copper* use in the manufacture of farm tractors and farm engine power units receives a continuation of strict control through the issuance, by the War Production Board, of Limitation Order L-170-a and the simultaneous revocation of Order L-26-c. Except for certain exceptions, use of copper in repair parts is prohibited.

*Fats and oils*, imported or purchased from foreign sources by the Government, have been exempted from price control, under terms of Amendment No. 15 to Revised Price Schedule No. 53. This exemption, however, does not apply to purchases by government agencies of any fats or oils in the United States which have been imported into this country without a contract to resell to these Federal purchasers.

*Lead* use restrictions have been eased by Amendment 2 to Order M-38-c to permit a number of essential uses formerly limited by the order. Among these are the use of lead foil for packaging dehydrated hydroscopic foods.

*Paperboard* products manufacturers were authorized November 11 by the Office of Price Administration, to use their published price lists of October, 1941, to establish ceiling prices. This is accomplished by the issuance of Amendment No. 1 to Maximum Price Regulation No. 187. Prior to the amendment, such manufacturers had been required to determine their maximum prices by estimating raw materials costs and other factors.

*Reagent chemicals*, and other items of research laboratory equipment and supply, have been assigned high preference ratings by WPB under terms of Order P-43, as revised, and Order P-135.

*Trailers*, awaiting sale, may now be stored outdoors, according to Amendment 51 to Supplementary Regulation 14. Before this amendment became effective on November 12, standards of maintenance established by OPA required indoor storage as part of the program to safeguard the remaining motor vehicle stockpile of the nation. However, trailers still stored indoors may be sold at higher prices than those stored outdoors. The amendment is said to affect approximately 7,000 commercial type trailers but household and passenger trailers are not included.

### Labeling Division Issues Buying Manual

The Labeling Division has prepared "Instruction Manual—Buying Canned Fruits and Vegetables" for home economics teachers in schools and colleges and for the many teachers who are conducting adult nutrition and consumer courses.

Many schools and colleges offer instruction in consumer buying. This new manual is the result of repeated requests for teaching material which had to do directly with selecting and buying in retail stores.

It is particularly timely now because informed buying is the first step in avoiding waste.

The manual is being distributed to home economics departments in many schools and colleges and to others who are directly interested in consumer education.

### Arnold and Krimendahl in WPB Shifts

Ralph Arnold, until recently administrator of the War Production Board's canning machinery order, P-115, has been advanced to the position of Chief of the Distribution Control Section of the Food Branch. In this capacity Mr. Arnold is in charge of priority matters for the Food Branch and acts as liaison officer for the Branch with the WPB Division of Priorities.

The Food Branch also has announced the transfer of H. F. Krimendahl from the Containers Branch, to a position of consultant on requirements of critical materials for canned and other food products. Mr. Krimendahl is working with Dr. G. C. Scott, who has been handling such problems in the Branch for several months.

### Corn, Lima, and Snap Beans For Processing

The Department of Agriculture, on November 13, issued reports of preliminary production for 1942, with comparisons, for three truck crops for commercial processing—sweet corn, snap beans, and lima beans.

According to the report, the preliminary estimated production of sweet corn for canning and freezing in 1942 is 1,232,800 tons. This exceeds the 1941 production of 1,125,700 tons by 10 per cent.

The preliminary estimated production of snap beans for processing is 194,600 tons. This year's estimated production exceeds the 1941 production of 133,720 tons by 46 per cent.

The 1942 tonnage of green lima beans for processing is estimated at 39,960 tons. According to the Department, this preliminary estimated production is 5 per cent above the record high production of 38,100 tons obtained in 1941.

### Two Sugar Zone Areas Increased by OPA

Areas to be served by primary distributors in two of the nation's 12 sugar delivery zones have been increased by an Office of Price Administration order reflecting changes in the location of sugar supply. Consequent reductions in the territory served by western beet and cane sugar processors were made at the same time. These changes were made by Amendment No. 1 to Second Revised Zoning Order 1 under Rationing Order No. 3 and became effective November 6.

To reduce the length of freight hauls and the burden of freight costs borne by the Government, sufficient off-shore raw sugar has been diverted to the Boston area to permit refiners in that center to serve Maine and New Hampshire as a part of Zone 1. These two States previously were a part of Zone 11, which was served by western refiners, with the Government reimbursing the shipper for the added freight cost entailed.

Zone 5 has been expanded to include that part of Virginia which until now has been part of Zone 11. Supplies held by Defense Supplies Corporation and supplies of off-shore refined sugar recently received will be made available in this area.

The same order that makes these changes also revokes the previous provision for shipments of sugar into Zone 1 by primary distributors in Zone 12.

### OPA Plans to Raise Fertilizer Ceilings

Present price ceilings on fertilizer—frozen at February 16-20, 1942, levels may be raised by approximately eight per cent shortly to cover increased costs of nitrogen and transportation since that base period, the Office of Price Administration has announced.

A new price regulation, effecting this adjustment by fertilizer production areas according to the increased costs in each area, probably will be issued within the next four to five weeks, it was stated.

The fertilizer industry now is covered by Maximum Price Regulation No. 135 for mixed fertilizer, superphosphate and potash sold at retail; Maximum Price Regulation No. 108 for nitrate of soda, sulphate of ammonia and cyanamide at retail; and the General Maximum Price Regulation, whose March 1942, ceilings apply to sales of other fertilizers at retail. The General Maximum Price Regulation also covers all wholesale transactions for fertilizers and materials—except sulphate of ammonia. Wholesale prices of the latter are controlled by Maximum Price Regulation No. 205.

Allocation of low-priced sources of chemical nitrogen to war industries subjects the fertilizer industry to additional expense in turning to substitutes for essential nitrogen. Advance disclosure of the proposed price adjustment is made to encourage fertilizer manufacturers to proceed with mixing operations, using all available sources of nitrogen.

### Increased Marine Foods Production Urged

Secretary of the Interior Harold L. Ickes, the Coordinator of Fisheries, has ordered all of the producing agencies in the Department of the Interior to intensify their activities toward greater yields of marine and land foods for the war.

With the shortages of meat and the forthcoming ration program, the Secretary pointed out, fish will become more important than previously in supplying the animal protein component of the diet. Although certain offshore fisheries have been curtailed because of the war, every effort is being made to supplement production by utilizing less popular species, and by perfecting and promoting the processing of new fishery products, he stated. The Secretary included among these products canned alewives, canned menhaden in tomato sauce, canned and salted mullet, and mussels from the North Atlantic. These products are being developed and made available for war agencies in filling their food requirements as rapidly as possible.

### Order Reserves 90% of Spray Dried Milk

Manufacturers of spray process dried skim milk are directed to set aside each month 90 per cent of their production for direct war uses, under terms of Conservation Order DA-1 issued recently by the Secretary of Agriculture. The order does not apply to stock on hand in manufacturer's plants or at other points.

Administration of this conservation order will be carried out by the Agricultural Marketing Administration. It was stated that up to date offers of spray dried milk from the industry, and acquisitions by AMA have been lagging behind Lend-lease requirements.